

# LEGISLATIVE PRESENTATION 2003

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UTAH DEPARTMENT OF WORKFORCE SERVICES

**jobs.utah.gov**



## **MISSION**

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers and the community.

## **VISION**

We will set the national standard of a high-quality workforce by being the employment connecting point for employers, job seekers and the community.

## **CONSTITUENT CONCERNS**

The Department of Workforce Services pledges to provide excellent customer service. However, for an unresolved issue, please use the contact information listed below:

Department of Workforce Services  
Customer Relations Specialist  
(801) 526-4390 (Salt Lake) • 1-800-331-4341 (Statewide toll free)

Our Customer Relations Specialist handles unresolved issues regarding  
Employment Services and Supportive Services.

Other state government contacts for unresolved issues are:

- Child Support

Call the Department of Human Services  
538-3989 (Salt Lake) • 1-800-662-3722 (Statewide)

- Child Protective Services & Foster Care

Call the Division of Child & Family Services  
538-4100 (Salt Lake)

- Medicaid only

Call the Department of Health  
538-6417 (Salt Lake) • 1-877-291-5583 (Statewide)

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## INTRODUCTION

The Department of Workforce Services (DWS) is “*Utah’s Job Connection*.” DWS is the product of Utah’s bold vision for the future of quality workforce development. It is a consolidation of all employment related functions into a comprehensive service delivery system. Now job seeker and employer customers can access the services they need without the confusion and burden of working with multiple agencies. States are experimenting with coordination or consolidation of workforce development services on different levels, but Utah has completely integrated its system. DWS is recognized as a national leader for this integration and innovation and has received several honors including the prestigious National Alliance of Business “State of the Year” award in 1996.

DWS is about customer choice, service, and performance. Utah was the first state to consolidate employment and welfare programs and to establish a statewide system of “one-stop” Employment Centers. Here, customers can easily access the services they need in an environment that is matched for look and feel from office to office. All Employment Centers offer the same array of services, which makes them the connecting point for employers and job seekers. And, these nearly 50 offices are strategically located throughout the state.

*Utah’s Job Connection* is electronic, too. DWS exploits improvements in technology to deliver services at the speed of light. The web site, [jobs.utah.gov](http://jobs.utah.gov), provides 24/7 access to employment

services, public information, links to employers’ sites and related search engines, labor market information, Unemployment Insurance (UI) and more. In 1997, DWS centralized all UI claims services into one state-of-the-art call center that saves taxpayers time and money. Employers can now transmit hiring, wage, and tax information electronically and via the Web. And, more enhancements are always underway.

**Survey results  
indicate  
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consolidation.**

What do customers say? Every year, DWS surveys its job seeker and employer customers, as well as the DWS staff who make all this happen. The results show that customers like the system much better than before consolidation. In fact, each year the indicators of satisfaction increase and support the idea that *Utah’s Job Connection* is a success according to the most important group of all, the customers!

## HISTORY

The 1996 Utah Legislature passed House Bill 375, which consolidated all employment, job training, and welfare functions in the state and created the Department of Workforce Services (DWS). But the origins of this innovation stretch back further. In a

1992 audit report, the Utah Legislative Auditor General observed that employment and training services in Utah were “fragmented among 23 separate state and federal programs administered by six different state agencies.”

The Auditor General recommended that the state develop a streamlined service delivery system that is more focused on customers than bureaucratic rules and policies. In response to that recommendation, Governor Michael Leavitt formed a task force in 1994 to consider ways to create a more unified employment and job training system. That task force, chaired by the Lt. Governor, met for 18 months and established the guiding principles that

would lead to the creation of DWS. These required that:

- The system be customer-driven.
- The system measure results and be accountable throughout.
- The new department simplify governance and operation of programs.
- The system be state-based with local input on design and delivery.
- Private sector leadership and direct involvement at all levels be promoted.
- Continuous improvement is critical.
- Training and education be market-driven.
- Funding levels will be commensurate with need.

The agencies subsumed under DWS on July 1, 1997 were:

- **The Department of Employment Security** (or “Job Service”) which administered Unemployment Insurance (UI), employment services, and labor market information.
- **The Office of Family Support** which administered public assistance programs such as the Family Employment Program (FEP), food stamps, and subsidized child care.
- **The Office of Job Training** which coordinated job training programs including the Job Training Partnership Act (JTPA).
- **The Office of Child Care** which was created to assure quality child care is available to those who need it.

- **The Turning Point Program** which served displaced homemakers with educational opportunities and other employment related services.

The foundation of DWS is its system of “one-stop” Employment Centers where customers can access all workforce development services under one roof. Utah was awarded a One-Stop Implementation Grant by the US Department of Labor in 1996. This funding, along with other state initiatives already underway, provided critical resources for the creation of this system. Statewide, DWS now operates about 50 facilities, 38 of which are Employment Centers (originally, DWS inherited 106 buildings). At the same time, DWS created the UI Claims Center. This call center allows customers to file UI claims at their own convenience. A claims process that usually took an hour or more and required an office visit was reduced to just minutes over the telephone.

The national environment of workforce development has evolved substantially since the creation of DWS. Changes to federal programs included the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which overhauled the national welfare system, and the 1998 Workforce Investment Act (WIA), which replaced and substantially expanded the scope of the Job Training Partnership Act (JTPA).

DWS owes the Utah Legislature a debt of gratitude for having the foresight to acknowledge that massive changes were needed in Utah’s employment, training, and welfare programs. That sagacity paved the way for Utah to become a national leader.

DWS underwent a tremendous metamorphosis during its first three years. In addition to consolidating five separate agencies and their various programs, DWS implemented the many changes required under PRWORA and was one of only nine

states to implement the federal WIA a year ahead of the July 2000 deadline.

The Workforce Investment Act (WIA), public law 105-220, was signed into law by President Clinton on August 7, 1998. According to the National Governor's Association, "WIA re-writes current federal statutes governing programs of job training, adult education and literacy, and vocational rehabilitation, replacing them with streamlined and more flexible components of workforce development systems." Key principles include: streamlining services, empowering individuals, universal access, increased accountability, strong role for local boards and the private sector, state and local flexibility, and improved youth programs.

WIA has impacted the role of workforce services agencies by ensuring that they provide employment and training services to the "universal customer," which expanded the customer base previously served under JTPA.

**Three levels of  
employment and training  
including core, intensive,  
and training, with an  
emphasis on youth, are  
provided to  
everyone.**

All workforce services agencies are now required to provide at least three levels of employment and training services (core, intensive, and training) to everyone, including a new emphasis on youth. This is done by collaborating with other partners and by leveraging WIA funds with other state and federal funding. More one-on-one, intensive services are provided to some of our hardest-to-serve customers.

Continuous improvement is a must for DWS. Efforts are ongoing to align planning with key business processes and outcome measures, for organizational self-assessment, for customer service improvements, and for better and faster access to services, whether real or virtual.

## **GOVERNANCE STRUCTURE**

The State and Regional Councils on Workforce Services were created with Governor Leavitt's signing of H.B. 375 in 1996. Their creation reflects the nexus of a number of important and emerging economic and social dynamics, including:

- The restructuring of global, national, regional, and local economies;
- The acknowledgment of the intricate link between economic development and workforce development;
- The recognition that workforce development is a community responsibility;
- The impetus of federal and state funding and programs focusing private and public sector attention on the readiness of workers and the institutions that prepare them for future labor market demands;
- The potential of business-led, volunteer boards to positively impact workforce development;

- The capacity of workforce development professionals to collaborate with workforce boards in designing and delivering customer-focused, performance-driven workforce services.

The important role of the State and Regional Councils is essential to the success of the mission of the Department of Workforce Services. Consequently, their duties and place in the system of workforce development in Utah were carefully defined by the Legislature and the Governor.

### **State Council on Workforce Services**

The duties of the State Council on Workforce Services are outlined in the Workforce Services Code, Title 35A, Chapter 1, Section 206. A summary of the responsibilities are as follows:

- Develop a state workforce services plan.
- Review regional workforce services plans to certify consistency with state policy guidelines.
- Work cooperatively with regional councils on workforce services to oversee regional workforce services area operations and to ensure that services are being delivered in accordance with regional workforce services plans.
- Oversee the department's provision of technical assistance to the regional workforce services areas.
- Evaluate program performances, customer satisfaction, and other indicators to identify program strengths and weaknesses.
- Develop plans to improve program outcomes.
- Improve the understanding and visibility of state workforce services efforts through external and internal marketing strategies.
- Make an annual report of accomplishments to the Governor and the Legislature related to the activities of the department.
- Issue other studies, reports, or documents the council considers advisable.
- Coordinate the planning and delivery of workforce development services with public education, higher education, vocational rehabilitation, and human services.

**The State and Regional Councils are very active and have successfully established themselves as the focal points for workforce development in their communities.**

In 1999, Governor Leavitt certified the State Council as Utah's State Workforce Investment Board (SWIB), effectively establishing it as the workforce governing board for all state and federal workforce development activities. Meanwhile, the State Council added a youth services oversight component, the State Youth Council, to ensure youth access to this workforce development system.

### **Regional Councils**

A fundamental principle of the DWS is that services will be delivered in a locally responsive manner while maintaining a statewide focus. Utah is a very diverse state with drastic differences in the needs of customers from community to community. Yet, service integrity relies on customers receiving equi-

**DEPARTMENT OF WORKFORCE SERVICES**  
**EFFECTIVE OCTOBER 2002**

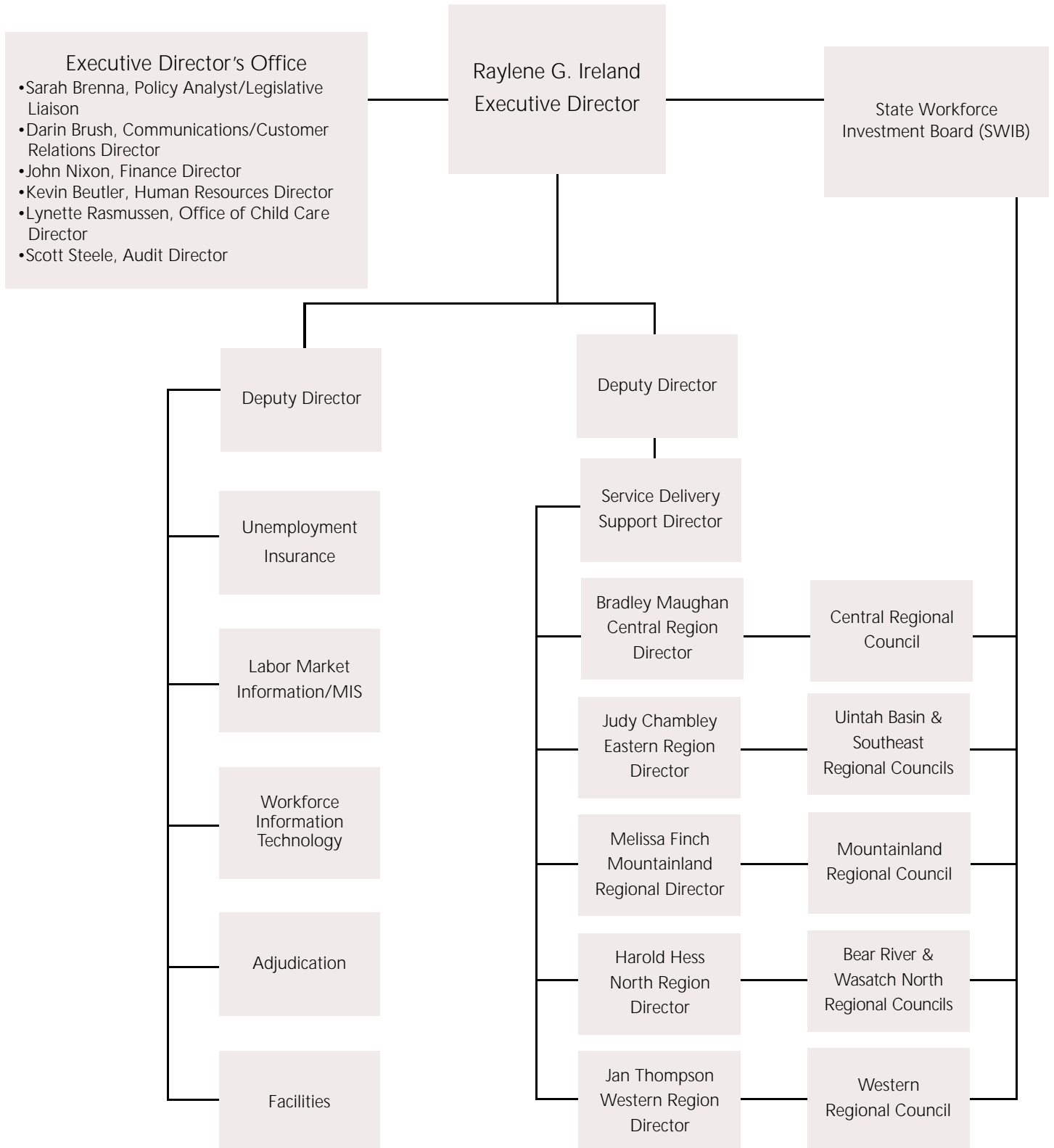




table treatment in all areas of the state. Therefore, the purpose of the Regional Workforce Service Council is to:

- Determine the locations of employment centers;
- Develop a regional workforce services plan;
- Develop training priorities for the region;
- Work cooperatively with the State Council on Workforce Services;
- Jointly with the Executive Director appoint the regional workforce services area directors;
- Coordinate the planning and delivery of workforce development services with public education, higher education, vocational rehabilitation, and human services.

The Utah Association of Counties and the DWS' Executive Director agreed that the most efficient administrative structure was an incorporation of five geographic regions and eight planning regions. These are:

**1 North Region:** Bear River Planning Region (Box Elder, Cache and Rich counties), and Three County Planning Region (Weber, Davis and Morgan counties)

**2 Central Region:** Salt Lake and Tooele counties

**3 Mountainland Region:** Utah, Summit and Wasatch counties

**4 Eastern Region:** Uintah Basin Planning Region (Duchesne, Uintah and Daggett counties) and Four Corners Planning Region (Carbon, Emery, Grand and San Juan counties)

**5 Western Region:** Six County Planning Region (Juab, Millard, Beaver, Sanpete, Wayne and Sevier counties) and Five County Planning Region (Iron,

Washington, Piute, Garfield and Kane counties)

The State and Regional Councils are very active and have successfully established themselves as the focal points for workforce development in their communities. They oversee a system unlike any in the nation and broker support for Utah's workforce initiatives.

## CORE SERVICES

### **jobs.utah.gov**

On November 4, 2002, and after more than three years in production, [jobs.utah.gov](http://jobs.utah.gov), the State of Utah's cutting-edge, online, and self-directed job matching system, was unveiled. [jobs.utah.gov](http://jobs.utah.gov), perhaps the most sophisticated, public system of its kind on the World Wide Web, allows job seekers and employers to instantly find each other. Job seekers have the ability to create a personalized "electronic résumé" that can be searched by employers. Employers can enter their own job listings and search for qualified applicants. [jobs.utah.gov](http://jobs.utah.gov) is the platform for bringing together qualified job seekers and hiring employers for their mutual benefit and the economic prosperity of the state.

[jobs.utah.gov](http://jobs.utah.gov) is the portal through which any job seeker or any business can access:

- Information on over 10,000 jobs
- Résumés representing over 65,000 job seekers
- Unemployment Insurance (UI) benefits
- Current labor market information
- Child care resource and referral information
- Information on food or financial support
- UI contributions
- New hire reporting
- America's Job Bank and career kit
- Links to other helpful sites

## Business Services

Employers are critical to the success of DWS. Businesses, large and small, are integral DWS customers and are key members of the State Council, regional councils and employer committees. Business representatives regularly consult DWS on marketing, day-to-day operations, and the quality of services DWS provides. They help DWS understand the labor market, offer suggestions for improvement, and often provide important resources that are otherwise unavailable.

Other unique business services include:

- Partnerships with economic development agencies to assist new and expanding businesses
- Business consultants who provide individualized service to employers
- Outreach and education on work/life issues
- Training services including basic skills, re-training, and skills upgrading
- Welfare-to-Work and Work Opportunity Tax Credits
- Rapid response and pre-layoff intervention services
- Clerical skills testing
- Free access to Employment Centers to recruit, interview and screen applicants

**There are 38 convenient locations throughout Utah serving both employers and job seekers. In addition, [jobs.utah.gov](http://jobs.utah.gov) provides information and services 24 hours a day, seven days a week.**

- Seminars on employment-related topics
- Partnerships with local educational facilities
- Veterans' services
- Alien labor certification

## Job Seeker Services

Job seeker customers are the other side of the employment exchange equation. Services DWS offers them include:

- Computer access to [jobs.utah.gov](http://jobs.utah.gov), a Career Exploration Guide, and résumé preparation tools
- Job referrals and job search assistance
- Veterans' services
- Job skills workshops
- Skills testing
- Career counseling
- Connection to educational opportunities
- Vocational assessment
- Job training opportunities

## Training

As stated previously under WIA, DWS is required to provide at least three levels of employment and training services, i.e., core, intensive, and training. DWS has used these levels of service to structure the delivery of training services.

Once customers are assessed as needing occupation or skills training, one or more of the following options may be available to them:

- WIA Adult training services
- WIA Youth training services
- WIA Dislocated Worker training services
- On-the-job training
- North American Free Trade Act (NAFTA) Assistance/Trade Assistance (TAA)
- Veterans' training services
- Family Employment Program (FEP)
- Utah Displaced Homemaker services

## Supportive Services

### Financial Assistance

Utah's innovative welfare reform effort began in January 1993 as the Single Parent Employment Demonstration Program (SPED). The mission of the SPED program was to increase income through earnings and child support. The SPED program was philosophically different from the Aid to Families with Dependent Children (AFDC) JOBS program in its focus on "self-sufficiency" before eligibility determination (entitlement), diversion, and universal participation in activities leading to employment.

SPED simplified eligibility and rewarded participation. Utah was the first state to obtain a waiver from the federal government for full-family closure for non-participation. In order to obtain this waiver, Utah agreed to implement a conciliation process and provide in-house social work services. The SPED pilot offices were so successful in moving clients into employment that the program was implemented statewide as the Family Employment Program (FEP) in 1996. This was before the advent of federal welfare reform with the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996.

The PRWORA law overhauled the federal welfare system with the principal intent of ending adult dependency on public assistance. The law placed a heavy emphasis on employment, mandated lifetime limits on assistance, and holds states accountable to minimum work participation rates for families receiving assistance funded by the Temporary Assistance for Needy Families (TANF) block grant.

### Who Qualifies for FEP?

Generally, to be eligible for financial assistance under the FEP (single or two-parent) a household unit must include:

- A pregnant woman in the third calendar trimester

### Purposes of Purposes of Temporary Assistance for Needy Families (TANF):

- Provide assistance to needy families so children can remain in their own homes or in the home of a relative
- End dependence of needy families on government benefits by promoting job preparation, work and marriage
- Prevent and reduce the incidence of out of wedlock births
- Encourage the formation and maintenance of two parent families

- At least one minor dependent child who is a citizen or meets the alienage criteria
- A minor child defined as being under the age of 18 years and not emancipated by marriage or by court order

Households must meet other eligibility requirements (income, assets, and participation); persons who are fleeing to avoid prosecution of a felony are ineligible for financial assistance.

### Utah Has a 36-Month Lifetime Limit On Financial Assistance

When Utah implemented FEP it also adopted a 36-month lifetime limit on financial assistance. This 36-month lifetime limit began on January 1, 1997,

at which time Utah had a caseload of 12,295 families receiving financial assistance. The families receiving assistance then, who did not move away from assistance, reached their lifetime limits on December 31, 1999. There were 403 families in Utah who reached that 36-month limit and 143 families whose financial assistance cases were actually closed due to lifetime limits; the remaining families were eligible to continue financial assistance because they qualified for an extension.

Customers who reach their lifetime limits often continue to qualify for and receive food stamps, medicaid, training, child care, and/or all employment connection services provided through DWS.

Law allows DWS to extend up to 20 percent of its annual financial assistance caseload past the 36 month lifetime limit for specific reasons. The extension criteria include:

- Parents who are medically (physically or mentally, including substance abusers) unable to work
- Households that include a family member who is a current victim of domestic violence
- Parents under age 19
- Parents who are required to be at home to meet the medical needs (physical or mental, including substance abuse) of a dependent
- Parents who were unable to complete a program of education or training within the 36 months through no fault of their own

- Through no fault of the parents, there was a delay on the part of DWS in the delivery of services that prevented the parents from obtaining employment

- Parents who moved to Utah after exhausting 36 months in another state and did not receive PRWORA mandated services in that state

- Parents who completed education or training at the 36th month and need additional time to find employment

In addition, any parent who is employed for not less than 80 hours per month is rolled over past the 36 month lifetime limit on a month-by-month basis, as long as s/he remains employed, for up to 24 months. The employment rollover does not count in the 20 percent extension cap.

In Utah, families with incomes no more than 200 percent of the poverty level are eligible to receive a range of services, such as employment and training, child care, transportation, education, and family and parental training.

Utah also offers a diversion program that provides short-term assistance to eligible families in need and expanded its earning “disregard” policies, which means that families can keep more FEP benefits even if they have more earned income, removing one of the many disincentives to work in the former AFDC program.

**PRWORA radically changed the old “entitlement” system by emphasizing self-sufficiency, universal participation, employment support and simplification of rules.**

### **Food Stamps**

The purpose of the Food Stamp Program is to end hunger and improve nutrition and health. It helps low-income households buy the food they need for a nutritionally adequate diet.



The Food Stamp Program is the nation's most important program in the fight against hunger because of the basic protection it provides persons of all ages and household status. Food stamps are designed to improve the nutrition of people with low incomes by providing benefits to cover part of their household's food budget. The Department of Workforce Services (DWS) administers the Food Stamp Program in Utah. The federal government pays the full cost of food stamp benefits and half of the program's administrative costs.

Households are issued a monthly allotment of food stamps based on the size and income level of the household. The maximum allotment is based on the "Thrifty Food Plan" designed by the United States Department of Agriculture (USDA). To be eligible for food stamps, a household must meet certain eligibility standards. A few of them are mentioned below:

- Households must meet certain income and resource standards
- Able bodied adults must look for work or participate in an employment or training program
- Citizens and certain non-citizens may be eligible
- Eligible non-citizens include refugees, asylees, battered aliens and deportees
- Lawful permanent residents can be eligible with 40 quarters of work (about 10 years)

The amount of benefits an eligible household receives depends on the number of people in the household and the amount of income the household has. For example, a household of three people with no income can receive up to \$329 a month in benefits. Households with income are expected to use about 30 percent of their own money for food. The average monthly amount of benefits in 2000 was about \$70 a person and \$174 per household. In Utah, benefits are issued to households via electronic benefits transfer onto the Utah Horizon Card

that is used like a debit card in approved stores.

### **Nutrition**

Another goal of the Food Stamp Program is to provide educational programs that help food stamp recipients make healthy food choices within a limited budget.

Nutrition Education Programs are provided through Utah State University Extension offices throughout the state and offer services such as accurate nutritional information, food budgeting, food preparation skills, providing adequate diets to infants and children, and gardening and food preservation.

### **Unemployment Insurance**

Since 1936, the Utah Unemployment Insurance (UI) program has provided temporary economic assistance to eligible workers. The UI program provides economic stability to Utah's workers, families, and communities.

#### **UNEMPLOYMENT INSURANCE:**

- Lessens the burden of unemployment
- Maintains worker purchasing power
- Prevents the spread of Unemployment
- Retains skilled workers in Utah

### **Operations**

The UI program is operated on general insurance principles, with employers paying contributions to fund UI benefits. All receipts from the employer taxes are deposited with the U.S. Treasury into Utah's Unemployment Compensation Fund and are used exclusively to pay benefits.

### **Benefits**

Eligibility for UI benefits is based on wages earned in insured work, not on the unemployed worker's individual need or family financial resources.

Claimants must be able and available to accept full-time work, actively seeking full-time work, and unemployed through no fault of their own. Claimants can file an initial claim for benefits over the phone or through the Internet. Each week, the claimant must certify continued program eligibility using the phone or the Internet. The maximum weekly benefit a claimant could receive is \$365 and the maximum duration of the claim could be 26 weeks depending on wages and qualifications.

In addition, the President's Economic Stimulus Package authorized Temporary Extended Unemployment Compensation (TEUC) for 13 additional weeks with an end date of December 28, 2002. UI received and processed over 20,000 TEUC claims. These claims are funded entirely by the Federal Government.

### **Contributions (taxes)**

Contributing employers pay their state unemployment tax to the Utah Unemployment Compensation Fund on a quarterly basis. Each year UI calculates the employer's tax rate based upon UI claims against the participating company. New employers are assigned a UI tax based on the two-year average of employers in their respective industry.

### **2002 Activity**

Utah's UI division continued to be very busy in 2002. UI experienced a significant workload increase as Utah participated in a national economic slowdown. Inbound telephone calls were up 26.37%, initial claims increased 16.4%, benefits paid increased 48.76%, and average claim duration increased by 30% for 2002 compared to the same time in 2001.

Due to an increase in benefits paid for 2002, the overall Unemployment Compensation Fund decreased by \$73 million when comparing year ending balance of 2002 with year ending balance of 2001.

### **Child Care**

The Child Care and Development Fund (CCDF), authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, assists low-income families, families receiving temporary public assistance, and those transitioning from public assistance in obtaining child care so they can work or attend training/education. In Utah, CCDF funding is administered by the Department of Workforce Services' Office of Child Care. In Utah, CCDF funds are primarily spent on two activities:

1. Child care assistance for income eligible families;  
and
2. Quality initiatives for all child care providers.

### **Payment-to-Parent Assisted Child Care Program**

The Payment-to-Parent Assisted Child Care Program provides funding for child care to parents who are employed, or employed and attending school or training, and who meet eligibility requirements. The program serves single parent families who are engaged in approved activities:

- Employment (full or part-time); a minimum of 15 hours per week is required

- Simultaneous employment and training/education (must be completed within 24 months)

- Cooperation to obtain child support for the family

The program also serves two-parent families when neither parent can adjust schedules to provide care for their children. Both parents must be engaged in the following activities:

- Employment (one parent must be employed 15 or more hours per week; the other parent must be employed 35 or more hours per week)

- Employment and training/education (both parents must meet the employment hour requirements described above)

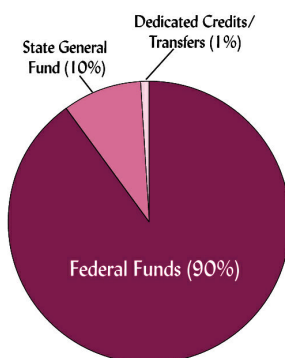
### How Can Parents Qualify?

To qualify for assisted child care, families must have less than \$8,000 in countable assets. Countable assets do not include the house they live in and one vehicle per working adult.

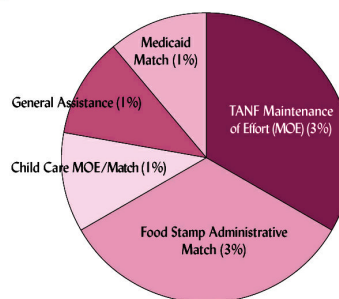
Families must also meet income eligibility. Family income must be equal to or below the limit set for their household size. For example, a household size of four would not be able to have a gross income above \$2,672 a month.

## DEPARTMENT OF WORKFORCE SERVICES FY 2002 Revenue Funds (Appropriated)

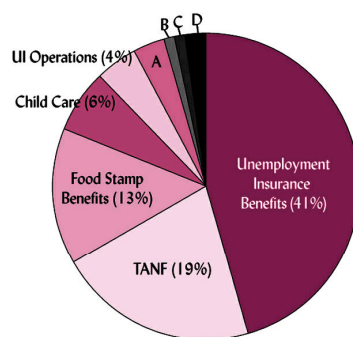
Total Funds FY 2003



State Funds FY 2003



Federal Funds FY 2003



A - Food Stamp Administration (3%)  
 B - Wagner-Peyser (1%)  
 C - Workforce Investment Act (1%)  
 D - Other (2%)

Parents may choose a provider that best meets their family's needs. Providers must meet minimum health and safety standards.

The amount of child care subsidy is determined based on several factors and may not cover the total cost of child care. Parents pay their provider with a two-party check made out to the parent and the provider or by using a provider's point-of-sale (POS) machine. Parents are responsible to pay the child care provider for all costs incurred. Additional supports are available for children with special needs.

### **Utah's Quality Initiatives**

A minimum of 4 percent of CCDF funds must be used to improve the quality of child care. Utah spends approximately 8 percent of its CCDF allocation on quality initiatives such as child care resource and referral services, training and professional development for child care workers, out-of-school time program support, infant/toddler initiatives that increase the availability and quality of infant/toddler care and work/life education for Utah businesses.

### **Child Care Resource and Referral Services**

Utah's child care resource and referral (CCR&R) system provides community-based child care information and referral services. This referral service links parents to providers, employers and communities to child care planning services, and providers to training and technical assistance.

The CCR&R system provides connections to a complex network of family providers, regulators, employers, educators, professional associations, and community service organizations. Parents can call a locally based child care resource and referral agency toll free and receive information to assist them in their search for quality child care.

### **Training and Professional Development**

The goals for the OCC's Training and Professional Development activities are to:

1. Increase the levels of education and experience of early childhood/child care workers
2. Improve school readiness in Utah's children by increasing the levels of training and expertise of early childhood/child care workers

### **School-Age Programs**

Juvenile crime and victimization triple between 3:00 pm and 6:00 pm, the hours after school when many children are unsupervised. As a result, school-age programs are essential to working parents.

DWS contracts with private and public program providers to help operate school-age program sites during the school year and summertime in Utah. The OCC offers training and support to these programs and works to develop awareness and understanding of quality before-and after-school programs.

### **Infant/Toddler Program Support**

Parents face many challenges when looking for available, affordable, and quality infant and toddler child care. To support both families and child care providers, the OCC issues grants to child care providers to increase the availability, affordability and quality of infant/toddler child care.

### **Work/Life**

The OCC's work/life initiatives focus on helping businesses be more successful by creating workplaces that support a diverse workforce and a culture that recognizes the work/life needs of its employees. Work/life programs and policies take many different forms, but businesses that truly benefit from work/life programs are the ones that align their work/life strategies with their business strategies, ensuring that their primary business and productivity objectives are supported by their work/life efforts.

Each year, the OCC presents awards to the Top 10 Family-Friendly Companies in Utah. Winners are those that develop creative ways to address business needs while supporting their employees' work/life needs.



**Workforce Services  
Amendments 2003  
S.B. 15**

**35A-1-205. Workforce Appeals Board – Chair – Appointment – Compensation – Qualifications.** This change would remove the part-time employee limitation on the chair of the Workforce Appeals Board.

- \* The current economic situation has caused unemployment insurance claims to essentially double which has significantly increased the workload of the Workforce Appeals Board.
- \* Current statute specifically states that the Chair of the Workforce Appeals Board may receive compensation for a maximum of 20 hours per week. When the statute was passed, the Board was hearing an average of 6.17 cases per week. The Board currently hears an average of 15.57 cases per week, a 147 percent increase in caseload.
- \* Due to the increase in cases, it is necessary to eliminate the 20-hour limitation

**35A-4-203. Definition of employer.** This change would modify the definition of an employer to be consistent with state and federal withholding requirements.

- \* Supports a one-stop registration process for employers
- \* Current \$140 threshold has been in state law since the 1940's and there is no longer an apparent need for this
- \* Most employers find the \$140 threshold awkward to administer therefore most simply register when they first start paying wages
- \* Minimal fiscal impact to employers or the department because most employers easily exceed the \$140 threshold when they hire employees
- \* Eliminating the \$140 wage threshold will not impact individuals who hire babysitters, maids, or individuals performing yard work on a temporary basis because these services fall into the "domestic labor" classification, which has a separate \$1000 threshold.
- \* This change will not apply to individuals hiring bona fide consultants, independent contractors, and subcontractors.

## Employment Security Act Modifications • H.B. 19 1st Substitute

- The Unemployment Insurance (UI) Program is designed to stabilize the economy by putting dollars into the pockets of those individuals who are without work “due to no fault of their own.” UI benefits are generally high turnover dollars that are quickly spent for food, rent and other necessities of life.
- Utah workers who currently qualify for UI benefits are eligible to receive regular state benefits for a minimum of 10 weeks up to a maximum of 26 weeks. Individual weekly entitlements range from \$23 to \$373. Both the number of weeks and the weekly benefit amount are determined by an individual’s recent earnings history. Benefit costs associated with regular state benefits are funded through employer taxes or, in the case of employers such as the State of Utah, through elected reimbursable coverage.
- Since the recent economic downturn, the average amount of time eligible Utahns receive UI benefits has increased from 12 to 15 weeks and the number of people who exhaust their benefits has increased from 30 to 43 percent.
- In March 2002, Congress enacted and fully funded the Temporary Extended Unemployment Compensation Program (TEUC). Under the provisions of TEUC individuals are eligible to receive an additional 5 to 13 weeks of benefits once they exhaust their entitlement to regular benefits. The TEUC program is presently scheduled to run through May of 2003. As of December 2002, 63 percent of individuals who received TEUC benefits have exhausted those benefits.
- H.B. 19 would provide up to an additional five weeks of benefits to those individuals who exhaust their entitlement to regular state benefits and TEUC, if available, and file for the additional benefits between June 1 and December 27, 2003. We estimate that \$22 million in benefits will be paid with an administrative cost to the department of \$371,000. By way of comparison, Utah paid out \$252 million in regular UI benefits last year.
- The Social Security Act provides that when, among other things, the three accounts in the Federal Unemployment Trust Fund reach their statutory limits, the excess amounts will be transferred to the states. These are called “Reed Act” distributions. Historically, Congress has either raised the ceilings or taken other action so that the Reed Act distributions have been minimal. However, in March 2002, Congress released an \$8 billion Reed Act distribution to the states. Utah’s share of that distribution was \$61.6 million.
- The March 2002 Reed Act distribution went directly to Utah’s Unemployment Insurance Trust Fund and, absent a legislative appropriation, remains there to be used for the payment of unemployment insurance benefits. However, the Reed Act funds, if appropriated, may be used to pay for the unemployment insurance and Employment Service (ES) administration costs.
- UI tax (contribution) rates are calculated by formula contained in statute. A key component of the formula is the Unemployment Insurance Trust Fund balance at the end of the state fiscal year. Because the \$61.6 million Reed Act distribution was included in the state Trust Fund at the end of state fiscal year 2002, the tax increase that employers would have sustained for the 2003 rate year was substantially reduced.
- The Department of Workforce Services’ Employment Advisory Council passed a motion unanimously that would basically divide the remaining \$56 million in Reed Act monies between the interests of workers and employers. Approximately one half would remain in the Trust Fund to mitigate any future tax increases and the other half would be used to fund the five weeks of state additional unemployment compensation benefits.
- Contributory employers will not be charged for any benefit costs associated with an additional benefit claim, and reimbursable employers will not be required to repay the Trust Fund for any claims filed under the proposed provision.

**Child Care Amendments****01/08/03 • S.B. 11**

**35A-3-102. Definitions.** Clarifying language has been added to make definitions consistent within the section.

**35A-3-201. Definitions.** Defines “child care”, unless otherwise specified by federal law or regulation, as services provided to children through age 12 and up through age 18 for children with disabilities.

**35A-3-203. Functions and duties of office - Annual Report.** This section modifies the current duties of the Office of Child Care. New responsibilities include:

- \* Assessing child care needs throughout the state and prioritizing how the office responds to those needs.
- \* Administration of the child care subsidy program for income-eligible children.
- \* Using its resources to encourage the development and enhancement of child care in Utah.
- \* Providing an annual report on that status of child care in Utah to the legislature.

**35A-3-205. Creation of committee.** This section increases the membership of the child care advisory committee and modifies its responsibilities to include:

- \* Reviewing the Office of Child Care’s annual budget.
- \* Recommending how the office might best respond to child care needs throughout the state.
- \* Making recommendations on the use of new monies.
- \* Additions to the Child Care Advisory Committee include:
  - One parent who currently receives a subsidy and is representative of a single-parent household with children through age 12
  - One representative of a two-parent household with children through age 12 in child care
  - One representative of the Department of Human Services
  - One representative of the Department of Community and Economic Development
  - One representative of children with disabilities
  - One representative from the Head Start Association
  - Representatives of each established child care provider association that has been functioning as a child care provider association in the state for at least three years and is affiliated with a national child care provider association.
  - Requires one of the representatives of large business to be a Family Friendly Award winner.
  - This section also clarifies that a member who misses three consecutive unexcused meetings may be replaced.

**35A-3-206. Expendable trust fund - Use of monies - Committee and director duties - Restrictions.** Clarifies who administers the trust fund and is responsible for fund raising.

- \* Allows the Office of Child Care authority to form nonprofit corporations or foundations, controlled by the director of the office and the committee, to aid and assist the office in attaining its charitable, research, and educational objectives.
- \* Specifies that trust fund money may only be spent on child care projects.
- \* Establishes joint fund raising responsibility for the advisory committee and the office.
- \* Requires an annual report on the status of the trust fund.

## **Child Care Amendments**

### **01/08/03 • S.B. 11 CONTINUED**

- \* Funds raised can be used to draw down additional federal funds if the following conditions are met.
- Funds must be donated without any restriction that would require their use for a specific individual, organization, facility or institution
  - Donated money cannot revert to the donor's facility
  - They are not used to match any other federal funds
  - They are certified by the Office of Child Care and the donor that the funds are available and will be used for the federal match
  - The funds will be subject to audit requirements
  - Donated funds need not be under the control of the Office of Child Care

## **Workforce Services**

### **Overpayment Amendments**

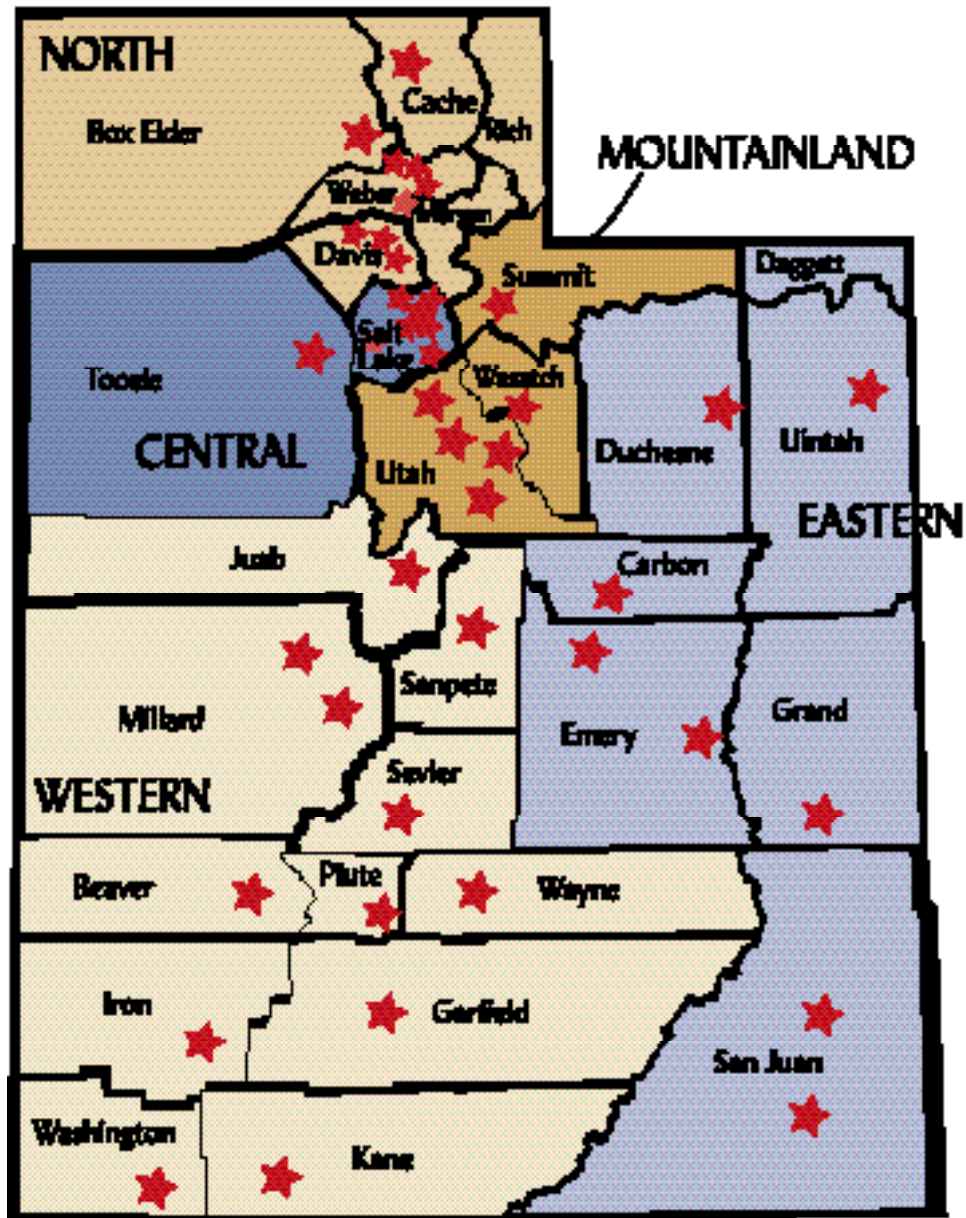
#### **H.B. 31 • 1st Substitute**

The Department of Workforce Services (DWS) is committed to providing optimal customer service and preserving the dignity and rights of households while pursuing the collection of debts. DWS is committed to preserving the integrity of public assistance programs and will pursue all potential claims. DWS will allocate resources and efforts to ensure claims are pursued efficiently and effectively. This change will align federal responsibility with accountability for public assistance collections.

H.B. 31, Workforce Services Overpayments Amendments, will transfer the responsibility of public assistance overpayments from the Department of Human Services' Office of Recovery Services to DWS. In addition, the following technical amendments will be made:

- Eliminates the requirement for the Department of Health to contract with the Office of Recovery services for the collection of overpayments of medical assistance programs. Allows the Department of Health to contract with the Department of Workforce Services.
- Adds language that clarifies that this bill does not preclude the Department of Health from carrying out its responsibilities under the Medical Benefits Recovery Act and the False Claims Act.
- Repeals and renumbers certain sections of the Office of Recovery Services' and the Department of Workforce Services' statute.

★ DWS Facilities



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